

# INFORMATION LETTER

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## Association Plans Meeting to Voice Canning Industry's Position on N. R. A. Legislation

The National Canners Association on April 9th sent to all canners a bulletin giving the background of events up to the introduction by Senator Harrison of a bill (S. 2445) to extend the National Industrial Recovery Act, and furnishing also the text of this bill.

There have been various reports regarding the attitude of industry as a whole upon the proposed legislation. For the information of members of the canning industry it may be stated that the Association has taken no position with respect to the abandonment of the present Act, which expires June 16th, or the extension of the Act, either with or without modification. The Administrative Council, however, on April 24th adopted a resolution which requested the President of the Association to call, at an opportune time, a meeting of the Board of Directors and representatives of state and local associations, to take appropriate action to voice the industry's attitude. It is now anticipated the meeting will be called for early in June, by which time the bills in Congress will have taken more definite form and the U. S. Supreme Court may have handed down decisions on cases that will clarify the character and scope of legislation to be enacted.

The resolution adopted by the Administrative Council stated:

*"Whereas, all canners are vitally interested in pending legislation with respect to the National Industrial Recovery Act, which expires June 16th unless extended in its present or in modified form, and*

*"Whereas, proposals with respect to abandonment or extension of this legislation have not yet assumed form sufficiently definite for the industry to express its attitude, and*

*"Whereas, it is the established policy of the Association to ascertain and record the predominant sentiment of canners concerning all legislation affecting the industry as a whole, therefore be it*

*"Resolved, That the Administrative Council recommend to the President of the National Canners Association that he call a meeting of the Board of Directors at such date as he deems opportune to discuss pending legislation on the National Industrial Recovery Act and that there be invited to this meeting two representatives of each of the state or local associations, and be it further*

*"Resolved, That the Legislative Committee of the National Canners Association prepare for presentation at this meeting an analysis of such legislation as may have been proposed for enactment."*

### **Meeting of Administrative Council**

The Administrative Council of the National Canners Association met at the offices of the Association in Washington on April 23 and 24 to consider the legislative situation and plans for the Association's work during the remainder of the year.

Among important actions taken at this meeting were:

Adoption of a resolution requesting the President of the Association to call a meeting of the Board of Directors and representatives of state canners' associations to consider and voice the industry's attitude with respect to proposed national industrial recovery legislation.

Authorization of the appointment of a special committee to consider appropriate action in connection with the increase in consumer complaints reported to the Association.

Adoption of resolution and appointment of a committee to investigate the alleged misbranding of soaked peas as Early June Peas.

Authorization of changes in and additions to the state legislative committees.

Authorization of the publication of a circular to spinach canners with respect to investigations on the canning of that product.

Approval of the policy of the Statistical Division in its compilation and distribution of reports.

Authorization of the appointment of a subcommittee of the Research Committee to consider research projects and policies.

Authorization to continue the study on maintenance and protection of the Association's property and equipment.

The Secretary submitted a report upon the principal activities of the Association since the annual convention in Chicago, including a statement of the status of pending legislation of interest to canners, which is printed in this issue of the Information Letter.

An analysis of the principal measures now before Congress that will affect the industry was presented by Mr. H. Thomas Austern of the Association's counsel, including the bill to amend the A. A. A.; revision of the Food and Drugs Act; extension of the N. I. R. A. along with the related measures on the 30-hour week and labor disputes; the social security bill; the bill to revise the banking act, and other pending legislation reviewed in the report of the Secretary.

Suggested changes in the personnel of the state legislative committees were approved and authorization given to make such further changes and additions as would facilitate the work of the Association's Legislative Committee.

A detailed statement with respect to the consumer complaint service was presented, a summary of which appears in the Secretary's report, along with recommendations for modification of the services now conducted. These recommendations will be considered by the special committee appointed for that purpose and reported upon at the next meeting of the Council. This committee consists of E. B. Cosgrove, chairman; H. A. White and F. A. Harding.

The following committee was appointed to make investigation of the alleged misbranding of soaked peas: Ralph O. Dulany, Joseph N. Shriver, A. F. Schroder, E. S. Thorne, and John L. Baxter.

In connection with the discussion of legislation on the N. R. A., Chairman Ralph O. Dulany of the Code Authority reviewed the work of the Code Authority with special reference to its financial maintenance and the enforcement of the provisions of the code.

The work of the Home Economics Division was briefly reviewed and members of the Home Economics Committee who were in attendance at the Council meeting met and formulated plans for the work of the Division during the remainder of the year.

During the course of the meeting the President of the Association presented to past President E. S. Thorne an engrossed copy of the resolution adopted at the annual convention in Chicago, expressing the Association's appreciation of Mr. Thorne's service.

Marc C. Hutchinson, W. A. Miskimen and H. N. Riley were appointed members of the Research Committee.

### **Report of the Secretary to the Administrative Council**

Activities of the Association since the annual convention have been concerned primarily with legislation, labeling, and consumer complaints.

By action of the Administrative Council and Board of Directors, the handling of legislative problems was entrusted to the Legislative Committee, with directions that the Committee keep the industry advised as to its work. The further development of descriptive labeling plans was left to the Labeling Committee, which was expected to cooperate with the Legislative Committee as regards labeling provisions in pending legislation.

A new committee was appointed on home economics and this committee likewise has planned its work to date in relation to the legislative and labeling problems.

The consumer complaint work is mentioned among the principal

activities because the increase in number of complaints has necessitated additions to the staff and involved an expense that makes this branch of the Association's service a serious problem.

The finances of the Association are in satisfactory shape, so far as expenditures contemplated in the regular budget are concerned. A detailed report will be submitted, along with a statement of expenses, over and above the budget, that may be found necessary during the remainder of the year.

#### LEGISLATION

At the last meeting of the Administrative Council, held in Chicago on Thursday of convention week, a motion was formally adopted referring the subjects of labeling and legislation to the Legislative Committee, with power to act. Previously, the Board of Directors had adopted several resolutions presented by the Administrative Council authorizing the Legislative Committee to consider proposed legislation and to present to the appropriate congressional committees the Association's position with respect to such legislation.

#### *A. A. A. Amendments*

On February 12th Chairman Smith of the Senate Committee on Agriculture and Forestry and Chairman Jones of the House Committee on Agriculture introduced companion bills (S. 1807 and H. R. 5585) to amend the Agricultural Adjustment Act.

Administrator Chester C. Davis of the Agricultural Adjustment Administration had announced many weeks earlier that amendments to the Act would be sought and had expressed his desire to confer with groups from interested industries regarding the proposed amendments before they should be put in final form for introduction in Congress.

The Association's Legislative Committee met in Washington January 3rd, 1935, for such a conference with Administrator Davis. Illness prevented Mr. Davis' attendance but he was represented by Dr. Tolley and Mr. Hiss. At this conference the nature of the Administration's proposals was explained in general terms, but the amendments themselves were not available for examination. Similar conferences were held by Mr. Davis and other groups representing farm organizations and industries engaged in processing agricultural products.

Beginning February 26th and closing March 6th, hearings on H. R. 5585 were held by the House Committee on Agriculture. Beginning on March 7th and closing on March 16th hearings on S. 1807 were held by the Senate Committee on Agriculture and Forestry.

Mr. H. Thomas Austern, Association counsel, and Mr. Herbert E. Gray of our Legislative Committee appeared and testified in opposition to the amendments. Testimony of Mr. Austern was reprinted and sent to all canners.

The House committee, after the hearings were closed, decided upon various amendments to H. R. 5585. These were incorporated in a new bill, H. R. 7088, which was introduced by Chairman Jones on March 28th. The committee also decided to report this bill but later vacated this action. The A. A. A. amendments are therefore now before the House Committee and thus far the committee has made no announcement as to when or in what form the bill embodying them will be reported to the House.

The Senate committee voted during the week of April 8th to report its bill, S. 1807, with amendments. A committee print embodying committee amendments has been prepared but no report has yet been made to the Senate. The principal changes shown by the committee print relate to issuance of licenses, books and records, and parity period.

Provision is made in the committee's redraft that the issuance of a license be conditioned upon approval by at least two-thirds of the producers or by producers of two-thirds of the volume of the product, who during a representative period determined by the Secretary have been engaged in the production for market of the commodity to be covered by the license. There is no limitation upon the extent to which licenses may be imposed.

The books and records provision is changed so as to permit access to all books and papers "as the Secretary may find necessary or pertinent." Decision as to what is necessary or pertinent thus rests with the Secretary.

The provision as to parity period would give the Secretary power to give consideration to the period August, 1919-July, 1929, or any portion thereof, in arriving at the so-called parity price for marketing agreements and licenses where he lacks adequate pre-war data. [Both Senate and House bills have since been reported out.]

Neither the House bill (H. R. 7088) nor the committee print revising S. 1807 met the basic objections to the amendments presented in Mr. Austern's testimony before the House and Senate committees.

### *Copeland Bill*

The Copeland bill (S. 5) and the McCarran bill (S. 580) had been introduced in Congress before the time of the convention, and these two measures were reviewed and compared at the Administrative Council's last meeting. The Copeland bill was reprinted during the convention and copies sent to all canners. After the convention, the Legislative Committee had a detailed analysis made of the bill, as a result of which various changes were recommended to Senator Copeland, and the bill finally took such form as to be generally satisfactory from the standpoint of the canning industry. Public hearings were held on March 2nd, 8th and 9th, at which 69 witnesses gave testimony. Chair-

man Cosgrove of the Legislative Committee appeared on March 8th, and voiced general approval of the bill in the form in which it appeared as the third committee print. Subsequently he filed a supplementary statement.

The bill was reported out by the Senate Commerce Committee on March 22nd by a vote of 9 to 6, and the Association had the bill reprinted and sent it to all canners, with a statement pointing out the more important changes made by the committee in the bill as originally introduced.

Senate debate on the bill began on April 1st, when it was made the "unfinished business," and continued until April 8th, when, after the adoption of several amendments proposed by Senator Bailey and unacceptable to Senator Copeland and the Food and Drug Administration, the bill was displaced as the unfinished business and went back on the calendar. It will stay there until such time as a majority of the Senate may vote to consider it when it is reached on the call of the calendar.

#### *N. R. A. Extension*

Developments in connection with legislative proposals to extend the National Industrial Recovery Act beyond June 16th, when the present Act expires, were summarized in a bulletin sent to all canners under date of April 9th. The Harrison bill (S. 2445) introduced March 29th has served largely as a basis for discussion while hearings have been in progress before the Senate Finance Committee. As in the case of the Social Security bill and the House bill on the A. A. A. amendments, it seems probable that the proposals of the Senate Finance Committee when agreed upon will be incorporated in a new measure.

#### *Social Security*

The Social Security bill, introduced in the House as H. R. 4142 and in the Senate as S. 1130, emerged from the House Ways and Means Committee, after extended hearings, in the form of a new bill (H. R. 7260), which was formally reported on April 5th. Debate upon it began in the House on April 11th under a special rule providing for 20 hours general debate followed by consideration of amendments under the five-minute rule. The bill was passed on Friday, April 19th, in practically the form in which it was reported, by a vote of 371 to 33.

#### *Thirty-Hour Week*

The Thirty-hour bill (S. 87) was favorably reported by the Senate Judiciary Committee on March 23rd. On April 8th Senator Black attempted to have it made the unfinished business when the Copeland bill was sent back to the calendar. The Senate disapproved Senator Black's motion by a vote of 56 to 21. Floor leader Robinson made the



significant statement that the extension of the N. R. A. is related to the 30-hour week proposal and that opportunity should be afforded to consider this question before the Senate proceeds to act on the 30-hour bill.

### *Other Legislation*

The resolution (S. J. Res. 9) introduced by Senator Wheeler and passed by the Senate authorizing an investigation by the Federal Trade Commission of the businesses of the principal packers, processors, and distributors marketing the principal agricultural products is now in the hands of the House Committee on Interstate and Foreign Commerce. This measure would permit the Federal Trade Commission to inquire into any and all phases of the business of the various firms, amounting practically to a general "fishing expedition."

Representative Huddleston on January 3rd introduced a bill (H. R. 25) which would authorize the Bureau of Standards to adopt grades and standards of quality for consumer goods, and to prescribe quality marks and symbols to be used on such goods. No action has been taken on the bill, which is in the hands of the House Committee on Interstate and Foreign Commerce.

Representative Huddleston has introduced another bill (H. R. 6618) to abolish the basing point system of pricing, in which he also incorporated a provision prohibiting quantity discounts. This bill also remains in the hands of the Committee on Interstate and Foreign Commerce.

Senator Black's bill (S. 2512) to define lobbyists and to require their registration has been approved by the subcommittee of the Senate Judiciary Committee, with the recommendation that it be favorably reported to the Senate by the full committee. In view of the manner in which the National Cannery Association has brought the views and wishes of the canning industry to the attention of Congress and its committees, the provisions of the Black bill would not affect the Association's work or give it cause to fear such investigations as might be incident to enforcement of the measure.

The Senate on April 16th passed the Wheeler bill (S. 1629) to regulate motor carriers. The bill provides for the regulation by the Interstate Commerce Commission of all agencies engaged in for-hire motor transportation. Regulation for contract carriers is less extensive than that proposed for common carriers. No regulation is proposed for private carriers except that the Commission would be authorized to regulate the qualifications and maximum hours of service of employees and safety of operation and equipment in event the Commission determines there is need for such regulation.

Hearings have been held by both Senate and House Committees on the Wagner-Connery labor disputes bills (S. 1958 and H. R. 6288). These bills would create a National Labor Relations Board as an inde-

pendent executive agency, replacing the present Labor Relations Board. It would be the declared policy to encourage collective bargaining, and the principle of majority rule in representation for such purpose would be established. The company dominated union would be outlawed and the closed shop legalized. Unfair labor practices would be defined and made illegal. Neither bill has been reported. They are closely related to legislation on extension of the N. R. A.

Considerable legislation has been proposed in the various state legislatures. In several states there have been proposals to require grade labeling of foods, but none of the proposed measures has been adopted. In Missouri a dating bill was introduced, but died in committee. The Association actively assisted canners in that state in preparing for the committee hearing that resulted in the death of the bill.

#### THE N. R. A. AND GRADE LABELING

So far as the N. R. A. is concerned no action has been taken on the labeling question except statements by Division Administrator Riley in personal conference and in correspondence with label manufacturers which were interpreted by label makers and canners to mean that early action would be taken requiring grade labels. Because of the confusion created by these statements the Association found it necessary to issue a circular on March 20th setting out the actual facts. This circular went to all canners and label manufacturers and was widely quoted in the trade press.

Some further confusion, but not so widespread as that created by Mr. Riley's letters, arose from a circular letter sent out early in April by the Chicago office of the Bureau of Agricultural Economics, which stated among other things that "an increased demand for grade certification is anticipated in view of the fact that many newly designed labels will be used, stating the grade of the product." The Association therefore called attention to this circular in last week's Information Letter and brought out that the grading service was the same as heretofore available, was not required of canners, and was on a fee basis.

#### HOME ECONOMICS FIELD WORK

Since the close of the annual convention Miss Atwater and Miss Black of the Home Economics Division have been almost continuously in the field discussing the labeling question before educational groups, women's clubs, church, social and other organizations. Their itineraries have covered 46 cities and towns in 23 states, including Illinois, Indiana, Michigan, Minnesota, Iowa, Nebraska, Kansas, Missouri, Arkansas, Texas, Louisiana, Alabama, Georgia, North Carolina, Virginia, Kentucky, Tennessee, Ohio, Pennsylvania, New York, Connecticut, Massachusetts and Vermont.



While it is difficult to summarize the situation as revealed by this field work several facts stand out. First of these is that, through the propaganda of the Consumers' Council, Consumers' Advisory Board, Bureau of Agricultural Economics, Extension Service, and other organizations, such as the American Home Economics Association, the belief is widespread that it is A B C grades or nothing, and that the canning industry advocates nothing. Second, the industry's plan for descriptive labeling is not widely known, or, if known about in a general way, has been condemned before being studied or understood. In this connection the A B C advocates are not reluctant to question the industry's good faith in proposing descriptive labeling. Third, a fair and adequate presentation of descriptive labeling wins support except from those previously, and apparently irrevocably, committed to grade labeling. Fourth, the field work has been helpful in creating an interest in the industry's efforts to improve its products and meet consumers' requirements.

#### DESCRIPTIVE LABELING COMMITTEE ACTIVITIES

Soon after the convention at Chicago, the secretary of the Descriptive Labeling Committee sought through correspondence to get the subcommittees on descriptive labeling to complete their work on their respective commodities. As a result it has been possible to effect some measure of agreement on descriptive terms for two or three commodities. Considerable progress has been made on many others. On two commodities, however, little or no progress has been made beyond what was discussed at the convention.

On three of the commodities, corn, peas, and pumpkin, there was the additional problem of working out objective tests for descriptive terms agreed upon. In the case of peas, a meeting of the subcommittee was held at Washington on March 6th. At this meeting the subcommittee members tested a large number of samples of peas that had previously been tested by the laboratory. The results of this meeting showed considerable progress toward the solution of the problem of making objective tests on canned peas. The report of the meeting together with the results of the laboratory's analyses was sent to the Association's general Committee on Descriptive Labeling.

The subcommittee on peas agreed upon a plan for conducting an experimental pack of peas during the 1935 season, the purpose of this experiment being to test under controlled conditions descriptive terms proposed and the objective tests developed.

The subcommittee on pumpkin is going forward with its plans for developing objective tests for canned pumpkin.

A meeting of the subcommittee for corn will be held in Washington on Thursday, April 25th. Plans for this meeting call for approximately

the same type of work as was developed at the meeting of the subcommittee on canned peas.

#### LABORATORY'S WORK ON OBJECTIVE TESTS FOR DESCRIPTIVE TERMS

During the Fall of 1934 something over 150 samples of peas and corn were examined by the laboratory with a view to developing objective tests for the descriptive terms that have been proposed by the Labeling Committee. Soon after the annual convention the subcommittee on peas met in the laboratory and classified duplicates of the pea samples referred to above. After correlating the classification of the committee with the results obtained by the laboratory the committee appointed a subcommittee to confer with the laboratory and to arrange for a series of experimental packs put up under known conditions in all pea canning districts during the 1934 season. The laboratory has devoted considerable time to plans for this work.

A study of the results obtained during the Fall showed that the samples of corn collected were insufficient in number and were not representative of the different conditions known to exist in the industry. An attempt was therefore made to secure a much larger number of representative samples of whole grain and cream style corn. About 100 samples have been obtained and examined, and the tabulated results will be referred to the subcommittee on corn labeling at its meeting on Thursday of this week.

#### CONSUMER COMPLAINTS

The number of consumer complaints has increased in an alarming manner. Up to April 15th 638 new complaints had been received, as compared with 426 and 322 during the corresponding period in 1934 and 1933, respectively. At this rate it is anticipated that the Association will have to handle 2,100 new cases during 1935. Forty per cent, or 259, of the 638 complaints reported thus far this year originated in New York or its vicinity, while 89 cases came from Boston and its vicinity. Suits pending on April 1st numbered 422.

The increase in consumer complaint work not only makes necessary additional personnel to handle the correspondence but also involves additional expense for investigation work and legal assistance. It is estimated that the funds for the consumer complaint work will have to be increased probably \$17,000 to handle the work. A detailed report with recommendations will be submitted to the Council on this subject.

#### STATISTICAL ACTIVITIES

The Statistical Division since January 1st has completed the collection and compilation of statistics on the pack of three canned vegetables.

Statistics on stocks of canned corn, red pitted cherries, green peas, lima beans, and tomatoes have been assembled and reported according to schedule.

During February and March all available pack statistics of those commodities on which the Division collected the 1934 pack figures were summarized and presented in published form in Bulletin 114-A. In presenting these pack data, the conversions to standard cases were in each instance recalculated on a uniform basis back to the beginning of the series. Conversion factors were standardized for all commodities and the method of calculation presented in the bulletin. The listing was also standardized and the states grouped into economic areas, each of which will serve as a unit for the reporting of stock statistics. The listing of can sizes was also revised to include only those sizes included in the January, 1930, report of the Association's Committee on Simplification of Containers.

This bulletin will be revised and brought up to date in February of each year. Additional commodities will be listed as they are included in the statistical program. It is hoped that eventually the bulletin will contain pack statistics on all canned foods.

Since the first of January much time has been spent in assembling statistics of various kinds relating to the canning industry. The files of the Statistical Division are being built up as rapidly as possible to include everything of a statistical or economic nature relating to the canning industry. Special attention is being given to information relating to distribution and consumption of canned foods. It is hoped that the Statistical Division will be able to provide the canning industry with any type of information relating to the industry that any canner may request.

#### RESEARCH LABORATORIES

##### *Vitamin Studies*

The study of the vitamin C content of applesauce has been completed and attention has been given to the influence of heating canned foods in preparation for the table on their content of vitamin B and C. The study of vitamin D is being continued and extended to other products, including chicken, peaches and asparagus. The chief function of vitamin D is to enable the body to utilize the calcium of the food.

##### *Blanching of Peas and String Beans*

In the annual report of the Research Laboratory attention was called to preliminary studies made in 1934 on the blanching of peas and string beans. During the last three months progress has been made in the examination of the samples of experimental packs put up in the Summer of 1934. It is expected that the examination of these samples will be

completed before the coming canning season, during which it is planned to materially extend work on this subject by means of experimental packs.

#### *Bacteriological Investigations*

Since the annual convention the Western Branch Laboratory has devoted itself mainly to an intensive study of the processing of spinach. The necessity of this study became apparent during 1934. Dr. Cameron, of the Washington laboratory, has been in California for the last six weeks collaborating with Dr. Esty in this matter, and expects to return on May 1st.

For several years the bacteriological laboratory has devoted some time to the study of bacteriological questions involved in the processing of meats and meat products. Some fundamental factors were encountered with these products that we have not experienced in processing other non-acid products, and these factors have only been partly explained. It has finally become apparent that the number of questions involved and the scope of the work necessary in connection with meat products is too large a question for one laboratory to handle advantageously. A collaborative arrangement has therefore been made between this laboratory and the bacteriologists of the leading meat packers under which the various phases of the problem are assigned to different bacteriologists in the industry. It is hoped that in this way substantial progress can be made, and the laboratory of the National Canners Association is taking the lead in this collaborative work and correlating the results obtained by the various workers.

During 1934 a preliminary study was made of contamination in the manufacture of tomato juice and in the canning of pumpkin. This work was undertaken because of extensive spoilage that had been experienced. The results obtained from the preliminary work last Summer were of substantial technological value, but because of the varying procedures used in canning these products by different packers, it is necessary to study the question in a considerable number of canning plants in order to have experience with various types of equipment. In order to make this possible, and also to take care of similar work in other products as well as emergency situations that arise in the plants of our members, a half-ton truck has been purchased and is now being equipped for field work. Special equipment must be planned and made to a considerable extent, and this involves a great deal of detail work, occupying several weeks of the time of the bacteriological laboratory.

#### RAW PRODUCTS BUREAU

Since the convention in January schools for canners and field men have been held at Purdue University, Lafayette, Indiana; Ohio State

University, Columbus; University of Maryland, College Park; New York Agricultural Experiment Station, Geneva; and University of Wisconsin, Madison.

The Director of the Raw Products Bureau attended the first three of these and conferred with the research groups and with canners on the plans for agricultural research relating to canners' crops outlined for the 1935 season. Pressure of Association work in the Washington office made attendance at the other two meetings impracticable.

Information has been supplied members through correspondence on an unusual variety of questions relating to control of insect pests and plant diseases, varieties of vegetables, cultural methods, seed strains, etc.

Pending legislation for increased federal appropriations of five million dollars per year to the state agricultural experiment stations for an enlarged research program will provide for a considerable and much-needed expansion of agricultural research on local and regional problems that should be of value to canners and growers of canning crops. One function of the Raw Products Bureau is to promote such constructive cooperation between the industry in the several states and the local research agencies as will insure appropriate and needed attention to pressing questions of pest control and variety improvement with canners' crops. The anticipated increase in available appropriations for agricultural research will make such cooperation especially timely during the coming season when plans for new experiment station projects are under consideration.

#### GOVERNMENT FOOD-CANNING ACTIVITIES IN 1935

The relief bill as passed by Congress continues the F. E. R. A. until June 30, 1936. The announced policy of this organization in the past has been to refrain from competing with private enterprise in the purchase, processing, or sale of any commodities. Section 8 of the new Act states that "wherever practicable in the carrying out of the provisions of this joint resolution, full advantage shall be taken of the facilities of private enterprise." This indicates that the funds allotted for relief are not intended to be used for setting up government operated canning factories.

However, in the past, the F. E. R. A. has encouraged state relief administrators to take the initiative in organizing relief work projects. Some states did engage in relief projects involving the canning of foods. Most of these were in connection with established canning factories, where the workers on relief rolls were used for manual labor in the preparation of canned foods for relief purposes. The federal funds allotted to the F. E. R. A. are in turn allotted to the different state administrators to be used in addition to various state funds collected for relief purposes. In making such allotment of federal funds, the

F. E. R. A. makes suggestions and gives advice as to how such funds might be used to advantage, but they have in the past chosen to allow the state administrator all possible latitude in the use of such funds and the furtherance of the individual state relief program.

Although the federal policy may be clearly understood—that such federal funds may not be used in competition with private enterprise—state administrators might depart considerably from this policy without incurring criticism from the federal officials. Consequently, from the canning industry's point of view the problem is one to be handled largely through and by state canners' organizations.

#### RECIPROCAL TRADE AGREEMENTS

Reciprocal trade agreements have been negotiated with four countries (Cuba, Brazil, Belgium and Haiti). The Cuban treaty became effective September 3rd, 1934; the treaty with Belgium becomes effective May 1st. The other two are not yet effective. Negotiations are now pending with thirteen others, hearings on all of which have been completed. These thirteen include five Central American countries, and Colombia, Canada, Sweden, Spain, Switzerland, Netherlands, Finland, and Italy.

Since the annual convention there have been hearings on the treaties with Netherlands, Finland, Italy and Canada.

The National Canners Association has not entered an appearance at the public hearings, nor has it submitted written statements on behalf of the industry, except in the case of Italy, where it joined with the Code Authority and certain state associations in a statement respecting the tomato tariff.

The National Association is in position to speak only for the industry as a whole; it can not well speak for the canners of different sections, or canners of different products, whose interests might be in conflict. The Committee for Reciprocity Information seeks specific recommendations with respect to specific products. Consequently the National Association has confined its activities in connection with the treaty negotiations to informing canners regarding the countries concerned and the dates of hearings, and to giving individual canners and local organizations such assistance as was possible in preparing their presentations.

#### Government Reports on Canning Crop Plans

##### BEETS

According to reports of 40 beet canners to the U. S. Bureau of Agricultural Economics, there will be a moderate increase in the planted acreage of beets for canning the coming season. The 40 canners reporting represent 52 per cent of the planted acreage of beets for canning in 1934. The following table shows, by states, the acreages which would result if these early April intentions to contract and plant acreage are carried out.



States	Planted Acreage			Intended in 1935		
	1931 Acres	1932 Acres	1933 Acres	1934 Acres	As % Acres of 1934 indicated Pet.	Acres
New York .....	800	750	1,300	2,050	86.0	2,020
New Jersey .....	300	200	200	300		
Indiana .....	220	280	220	480	103.1	3,040
Michigan .....	560	340	500	500		
Wisconsin .....	2,000	700	1,000	1,970	126.2	1,040
Oregon .....	180	200	350	350		
Other States <sup>a</sup> .....	1,080	500	690	950		
Total .....	5,140	2,970	4,200	6,000	101.5	6,700

<sup>a</sup> "Other States" include Colorado, Delaware, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Minnesota, Mississippi, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, and Washington.

#### CABBAGE FOR KRAUT

Forty-two kraut packers, reporting to the U. S. Department of Agriculture regarding the acreage they intend to contract or plant for the 1935 season, indicate that there will be a substantial decrease in that portion of the total kraut acreage that is represented by contracts or the firms' own plantings. New York packers are contemplating a decrease of 25 per cent in their contract or firm plantings; Ohio and Michigan, 32 per cent; Wisconsin, 27 per cent; and Indiana, 6 per cent. Most other States show lesser decreases or no reduction at all.

The 42 packers reporting had about 63 per cent of the contract kraut acreage in 1934. No information is available regarding the probable tonnage that packers will purchase in 1935 from acreage not under contract.

#### TOMATOES

A further increase of 7 per cent is expected to be made in the canning tomato acreage this year, according to reports received by the Department of Agriculture from 450 representative tomato canners, who furnished information regarding the acreage they intend to contract or plant in 1935. These 450 canners had over 50 per cent of the tomato acreage that was contracted for canning in 1934.

The following table shows, by geographical regions, the total acreages (contract plus open market) which would result if changes are made in line with early April reports from canners to contract and plant acreage in 1935. In the few States in which the open market acreage is a large part of the total, conservative changes were assumed for this acreage and added to the contract acreage.

State	Planted Acreage			Intended in 1935		
	1931 Acres	1932 Acres	1933 Acres	1934 (Revised) Acres	As % Acres of 1934 indicated Pet.	Acres
New York .....	11,300	10,200	12,500	15,900	113.4	61,900
New Jersey .....	30,000	30,000	28,000	30,700		
Pennsylvania .....	4,800	6,500	6,200	8,000	115.4	173,100
Ohio .....	10,300	9,300	10,300	12,500		
Indiana .....	66,000	62,000	58,000	88,000	115.4	173,100
Illinois .....	4,900	5,400	5,300	15,500		
Michigan .....	2,000	1,900	2,600	3,250	115.4	173,100
Iowa .....	6,400	5,300	4,800	6,800		
Missouri .....	10,000	14,000	13,600	24,000		

State	Planted Acreage			Intended in 1935 As % Acres of 1934 indicated		
	1931	1932	1933	1934 (Revised)	Pct.	Acres
Delaware	11,800	10,600	13,600	18,600	102.7	97,600
Maryland	38,000	36,000	47,700	50,500		
Virginia	14,800	13,900	17,400	19,900		
Kentucky	5,900	4,500	4,500	6,300	88.7	37,800
Tennessee	11,200	8,400	8,200	10,300		
Arkansas	16,800	18,000	16,000	20,000		
Colorado	2,900	2,300	1,700	3,000	107.7	69,100
Utah	6,640	3,000	3,600	5,800		
California	28,100	29,950	30,470	55,330		
Other States <sup>a</sup>	9,500	9,260	11,380	19,090	84.7	16,170
Total	300,340	280,510	296,250	425,470	107.1	455,670

<sup>a</sup> "Other States" include Connecticut, Florida, Georgia, Idaho, Kansas, Louisiana, Minnesota, Mississippi, Nebraska, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Texas, Washington, West Virginia and Wisconsin.

### A. A. A. Amendment Bills Reported Out

The report of the Senate Committee on Agriculture and Forestry on the bill (S. 1807) to amend the Agricultural Adjustment Act was submitted by Senator Smith on April 24th. The House Committee on Agriculture has also ordered a report on the proposed amendments, which are embodied in a new bill (H. R. 7713) introduced by Representative Jones. It is understood that there will be a minority report on the House bill.

The revisions of the bills as reported out do not meet the fundamental objections to the proposed legislation as presented to the Senate and House committees by representatives of the Association.

### Revised McNary-Mapes Regulations Issued

The Food and Drug Administration on April 25th issued the third revision of Service and Regulatory Announcements, Food and Drug No. 4, relating to standards under the McNary-Mapes Amendment to the Food and Drugs Act. Details of the revisions will be published in next week's Information Letter.

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